IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH, NAGPUR

CRIMINAL APPLICATION (ABA) 325 OF 2018
(Shri Purushottam Deoraoji Sirse..vs.. The State, thr PI Crime Branch Nagpur & anr)

Office Notes, Office Memoramda of Coram, appearances, Court's orders of directions and Registrar's Orders.	*Court's or Judge's orders.*

Shri P.S. Khubalkar, counsel for the applicant.
Shri V.A. Thakre, APP for State.

CORAM: ROHIT B. DEO, J.
DATE: 19th June, 2018.

Heard.

2 The applicant, is apprehending arrest in Crime 89 of 2018 registered with Police Station Gittikhadan, Nagpur for offences punishable under section 406, 409, 420, 467, 468, 471, 120-B read with section 109 and 34 of the Indian Penal Code.

3 The submission is that the applicant is falsely implicated. The learned counsel Shri P.S.Khubalkar invites my attention to the order dated 27.4.2018 by and under which a co-accused Smt. Sadhna Paliwal is granted regular bail by the Sessions Court. In rebuttal, the learned APP Shri V.A. Thakre, would submit that there is ample material on record to connect the applicant with the crime. Smt. Sadhna Paliwal is released on regular bail and the said order is of no assistance to the applicant who is seeking anticipatory bail, is the submission.

4 The case of the prosecution is that the main accused Madhav Subhash Babalsare submitted an application for vehicle loan to purchase "FORCE 1" vehicle. The said application was favorably considered by the MECL branch of the Punjab National Bank and loan of Rs. 8,96,222/- was sanctioned. Inquiries made after the said Madhav Babalsare failed to pay the loan installments revealed that every document submitted alongwith the application for loan is forged and fabricated. The "FORCE 1" vehicle was not purchased. Indeed, Thaparson Motor from which the vehicle was to be purchased had closed business in 2013 while the loan application was submitted on 26.4.2016.

5 Perusal of the affidavit in reply and the case diary reveals that at the relevant time the applicant was posted at the MECL branch of the Punjab National Bank as Assistant Manager and was the officer in charge of loan. The applicant was responsible for the pre-sanction and post sanction verification.

6 The material against the applicant to which my attention is invited by the learned APP Shri V.A. Thakre is thus:

(a) The applicant did not verify the authenticity of the quotation allegedly procured from Thaparson Motor nor did the applicant verify the receipt issued by the said concern.

(b) Thaparson Motor had shut shop in 2013 much prior to the submission of the loan application.

(c) The applicant handed over the demand draft issued in the name of Thaparson Motor directly to the main accused Madhav Babalsare.

(d)The forged documents submitted alongwith the loan application, which are, the shops and establishment documents, bank and financial statements, quotation, down payment receipt and income tax record are signed by the present applicant signifying that he verified the same from the original. However, each documents is forged.

(e)The applicant did not verify the business address of the person seeking loan before disbursing the loan amount.

(f)The applicant did not conduct the field visit.

(g)The applicant did not physically verify and inspect the vehicle for hypothecation.

(h)The applicant did not verify the insurance documents from the RTO.

(i)The applicant did not verify the document submitted by co-accused Dipak Ingle who stood guarantee for the loan.

7 The learned APP Shri V.A. Thakre, invited my attention to circular dated 8.4.2013 issued by Punjab National Bank, relevant paragraphs of which read thus:

> *"2. Instances of FRAUD have been reported under the aforesaid Scheme on account of Non adherence*

of extant guidelines on part of the field officials, specifically relating to the following:

i) Delivery of proceeds of loan direct to the Car Dealer;

ii)Obtention of 'Receipt' issued by the authorized Dealer; and

iii) Mandatory first verification of Vehicle.

The above aspects are covered under Parameters No. 17(vi) & (vii) and No. 12 on "GENERAL" and "SECURITY VERIFICATION" respectively.

3. Field functionaries are advised to meticulously comply with extant guidelines of the Car Loan Scheme and guidelines regarding above aspects are reiterated hereunder:

"i) It should be personally ensured by the incumbent that draft representing cost of the vehicle is delilvered by authorized dealer / seller of the vehicle and receipt/bill in joint names is obtained.

ii) Pending receipt of JRC with complete name of the branch, receipt issued by authorized dealer/RTO in token of having accepted/deposited the required papers for registration be obtained alongwith a letter of authority in favour of Bank official/Bank agent for taking delivery of JRC from dealer/RTO. Receipt of the JRC be ensured as per the scheme of delivery.

iii) The requirement of first verification of vehicle will continue to be mandatory."

4. Further, field functionaries are also advised to ensure that:

i. While making delivery of the proceeds of the vehicle, an undertaking from the Dealer / Authorized agent be obtained and held on record that in case of cancellation of booking of vehicle for whatsoever reason, the proceeds shall be refunded directly to the Bank and in any case should not be refunded / handed over to the borrower.

ii. In case vehicle is not produced for inspection, immediate action against the borrower be initiated to safeguard Bank's interest.

5. All concerned are advised to ensure strict compliance of the guidelines."

8 The learned APP would further submit that custodial interrogation of the applicant is necessary since the investigation qua the role of the applicant is incomplete.

9 White collar crimes which are committed with connivance of the officers of the financial institutions have shown a spiralling trend and the ultimate casualty is the common man since the fraud not only causes loss to the public exchequer, but also severely dents, and undermines the confidence of the general public in the institutional integrity of financial institutions.

10 In view of the nature and gravity of the crime and the more than ample material on record to at least prima facie connect the applicant to the crime, I am not inclined to

exercise discretion in favour of the applicant.

11 The application seeking anticipatory bail is rejected.

JUDGE

RSB